



Call for Independent Member for Finance and Audit Committee

Introduction

Fairtrade changes the way trade works through better prices, decent working conditions and a fairer deal for farmers and workers in developing countries. By choosing Fairtrade products, people can create change through their everyday actions, and farming communities can improve their lives and invest in their future.

The Product Network NAPP is the registered Body as per Hong Kong Laws, multi stakeholder body that is responsible for the strategic direction of Fairtrade, sets Fairtrade Standards and supports producers. The board has 16 current elected board members. It is headquartered /Central Office in Bangalore, INDIA but works through staff and consultants located around the Asia & Pacific where our producer organisations are located.

We have an ambitious strategy for transforming the way we work and scaling up the impact of our work and our Board of Directors has a vital role in ensuring we achieve these aims.

We currently have 1 open position for an Independent member on the Finance and Audit Committee and Only NAPP members are encouraged to apply.

The objective of Governance Committee

Currently the NAPP Board appoints four sub-committees: the Finance and Audit Committee, the Governance Committee, the Standards Committee and the Nominations Committee.

The purpose of the Finance and Audit Committee (FAC) is to provide advice, recommendations and reports to the Board on matters of financial oversight, financial reporting, risk management framework, internal control framework, external audit, and other related matters as determined by the Board or jointly by the Board and the FAC.

Membership

The Finance Committee consists of at least 3 and a maximum of 5 members, which shall include the Treasurer of the organization and at least one further NAPP Board member. The remaining members are chosen based upon their technical financial merits, and bearing in mind the required skills mix of the Finance and Audit Committee, which is based on an evaluation of the skills of all Finance and Audit Committee members.

The appointment of non-Board members is notified to the NAPP Board by the Chair of the Committee for ratification; the remaining members are proposed to the Board, through its Nominations Committee.



Term

Independent members and members representing shall serve for a term of up to three years, or for a shorter period as determined at the time of their appointment by the Board. Board members on the Finance and Audit Committee may serve for as long as they serve as members of the Board of NAPP.

The Committee members who are not Board members may continue to serve till they are recalled by Board with a simple majority on the recommendation of Finance and Audit committee Chair. No member may serve more than two consecutive terms, without a gap of at least three years. Membership of the FAC is an honorary position. NAPP reimburses reasonable economy travel and accommodation costs upon submission of original receipts.

Member requirements

Members of the FAC should be able to communicate easily in English, the working language of the Committee. They will have proven experience in finance matters and/or risk assessment. Members of the FAC represent the interests of Fairtrade International and do not serve in an individual capacity. They will fulfil their tasks in a timely, objective, impartial, and non-political manner, and shall keep confidential all information submitted to them in their capacity as members of the FAC. They should regularly attend the FAC meetings, be properly prepared and shall contribute to the follow-up actions as agreed.

Frequency of meetings

The Finance and Audit Committee will meet at least two times a year. The Committee will hold at least one physical meeting a year. The Chair may call further meetings as required. Meetings of the Finance and Audit Committee can be held virtually, physically or by telephone conference.

Duties

The main duties of the FAC are to:

Financial oversight

- Review and recommend to the Board the NAPP's annual budget.
- Monitor the NAPP's actual financial results against budget on a quarterly basis and agree corrective action as necessary with management.
- Receive reports on financial strategies adopted to address specific trends or issues and provide advice to the Board on strategic budget and financial management issues.
- Approve the credit management policies of the NAPP including member debtors, general debtors and debt write-offs.
- Approve all major debt financing.
- Review financial policies for the NAPP.
- Review and recommend an appropriate Reserves Policy for the NAPP.

- Review and recommend to the Board the level of expenditure authority of the NAPP Central Office.

Financial reporting

- Review and recommend to the Board the annual financial statements of the Association, including the adequacy of note disclosures.
- Review the accounting treatment of significant or unusual transactions.

Risk management framework

- Review and advise the Board on the adequacy of the Association's risk management framework as set out in its' Risk Management Plan.
- Regularly receive reports from the Organisational Risk Management Committee and review the NAPP's major risks.
- Review the NAPP's procedures for detecting fraud and whistle blowing and ensure that procedures are in place for the receipt, retention, and treatment of complaints received, and for the confidential and anonymous submission by employees of concerns regarding questionable accounting or auditing matters.
- Review the adequacy of the NAPP's insurance program.

Internal control framework

- Confirm and assure the independence of external audit functions.
- Ensure that recommended improvements to internal controls are implemented in a reasonable timeframe.
- Ensure that relevant Accounting Standards are implemented appropriately.

External audit

- Make recommendations to the Board on the appointment, reappointment and removal of the external auditor.
- Meet with the external auditor, in the absence of management, to ensure that the auditor has had unfettered access to all necessary records and that the external auditor has received full cooperation from the staff of the Association.
- Discuss with the external auditor any matter which might prevent the issuing of an unqualified audit opinion on the annual financial statements.
- Consider external audit reports and management letters and the management action proposed.
- Review and advise the Board on management responses to audit recommendations.



FAIRTRADE
NETWORK OF ASIA &
PACIFIC PRODUCERS

Personal characteristics and behaviours to be demonstrated by all Board members

- Respects and internalizes the principles of accountability
- Makes informed judgment
- Listens actively with an open mind
- Participates in debate, providing relevant comments
- Speaks own mind candidly but respectfully
- Demonstrates initiative and insightfulness
- Thinks both logically and creatively
- Makes decisions independently
- Advises from own experience base
- Teams with others, forming collaborative relationships with other Board members and, where appropriate, providing guidance and advice to staff

How to Apply

Interested candidates should send in their CV and a cover letter detailing why they are qualified for and interested in being an independent member of the Governance Committee, with subject line **"Independent – Finance and Audit Committee"**.

Applications will be accepted until **30 January 2019** at nominations@fairtradenapp.org